

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HB 3571 - SB 3470**

February 15, 2010

**SUMMARY OF BILL:** Requires all proprietary security organizations to apply for and receive licensure from the Department of Commerce and Insurance prior to provision of security services.

**ESTIMATED FISCAL IMPACT:**

**Increase State Revenue - \$353,600/Private Protective Services**

**Increase State Expenditures - \$6,000/One-Time/Private Protective Services**

**Assumptions:**

- According to the Department of Commerce and Insurance, there are currently 832 licensed Proprietary Security Organizations in the state that will receive licensure under this law. The current license fee for Contract Security Companies is \$425 annually. The license fee for the Proprietary Organizations will be the same.
- The recurring increase in state revenue is estimated to be \$353,600 (\$425 fee x 832 licensees).
- There will be a one-time cost to the program of \$6,000 which includes a rule-making hearing (\$5,000) and upgrades to the computer licensure program (\$1,000).
- Pursuant to Tenn. Code Ann. § 4-3-1011, all regulatory boards and programs are required to be self-supporting over a two-year period. As of June 30, 2009, the Private Protective Services Program had a positive balance of \$602,438.67.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White".

James W. White, Executive Director

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